

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 6 – SB 709

February 11, 2009

SUMMARY OF BILL: Expands the lottery scholarship program by creating the Tennessee Education Lottery Financial Assistance Grant for certain students who are financially needy and meet specified criteria.

ESTIMATED FISCAL IMPACT:

Other Fiscal Impact – Increases the expenditure of lottery proceeds earmarked for scholarships and grants by \$17,230,000 in FY09-10 and by \$30,153,000 in FY10-11.

Assumptions:

- The Tennessee Student Assistance Corporation (TSAC) estimates 17,230 first-year students for FY09-10.
- The amount of the grant is \$1,000 per student for full-time attendance.
- The increase of expenditures from lottery proceeds in FY09-10 is estimated to be \$17,230,000 ($17,230 \times \$1,000 = \$17,230,000$).
- TSAC estimates 72 percent of first-year students (12,406) will retain the grant for the second year (FY10-11).
- TSAC estimates 17,747 new students in FY10-11.
- The total number of students for FY10-11 is estimated to be 30,153 ($12,406 + 17,747 = 30,153$).
- The increase of expenditures from lottery proceeds in FY10-11 is estimated to be \$30,153,000 ($30,153 \times \$1,000 = \$30,153,000$).

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is fluid and cursive, with the first name "James" and last name "White" clearly legible, and "W." in the middle.

James W. White, Executive Director

/rnc